

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Municipal Administration and Urban Development Department - Hyderabad Metropolitan Water Supply and Sewerage Board, Hyderabad - Augmentation of Water Supply to Hyderabad Urban Agglomeration from Godavari River - Moulana Abdul Kalam Hyderabad Sujala Sravanthi Scheme(MAKHSS) - Godavari Drinking Water Project Phase-I - Borrowing of Loan from HUDCO for an amount of Rs.1000.00 Crores - Permission accorded - Orders - Issued.

**MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (K1) DEPARTMENT**

**G.O.Ms. No: 497**

**Dated:31.10.2011.**

**Read the following**

1. G.O.Ms.No.504 MA & UD Dept., dated:12-07-2007.
2. GO Ms.No.603 of MA & UD(W1) Dept, dated: 30-8-2008.
3. GO Ms.No.679 of MA & UD(W1) Dept, dated:26-9-2008.
4. From the MD, HMWSSB, Hyderabad, Lr.No: HMWSSB/ Fin/ MAKHSS/ Godavari/HUDCO-TL/2010 dt. 01.02.2011.
5. Loan sanction Lr.No.HUDCO/HRO/HMWSSB/19945/2011/3451, dt:17.3.2011
6. From the MD, HMWSSB, Hyderabad, Lr.No: HMWSSB/ Fin/ MAKHSS/ Godavari/HUDCO-TL/2010-4 dt. 29.03.2011.
7. From the MD, HMWSSB, Hyderabad, Lr.No: 1262/CM/D1/2011 dt. 29.09.2011 with minutes of meeting held by Special Chief Secretary, Govt. of AP., on 27.09.2011
8. G.O.Ms.No.442 MA&UD (B2) Dept., dt :21-9-2011.

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In the G.O. Ms.No.679, MA&UD (W1) Department, dated: 26.9.2008, Administrative Sanction has been accorded for taking up Godavari Drinking Water Supply Scheme Phase-I for drawing 172 MGD (10 TMC) of water to meet the drinking water requirement of the Hyderabad City and surrounding Municipal areas at a cost of Rs.3,375 Crores with the following Funding Pattern:

( Rupees in Crores )

Source	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Total</u>
GoAP (37%)	Nil	501.60	731.25	<b>1232.85</b>
GHMC (the resources available under BRS & LRS) (28%)	384.36	576.54	---	<b>960.90</b>
Gol (35%)	393.75	393.75	393.75	<b>1181.25</b>
<b>TOTAL</b>	<b>778.11</b>	<b>1471.89</b>	<b>1125.00</b>	<b>3375.00</b>

The above funding pattern was not materialized as the project was not cleared by the Government of India under JNNURM as the allocation of funds under JNNURM to Government of Andhra Pradesh was exhausted. Further, the Greater Hyderabad Municipal Corporation also could not provide the funds as per the funding pattern. Therefore, the Project was taken up with the initial budgetary support of Government of Andhra Pradesh in 3 packages under EPC system and accordingly all the agencies have commenced the works during December'2008 in their respective packages. The expenditure to the tune of Rs.1166.05 Crores has been incurred so far by Government of Andhra Pradesh on the said project and the further amount of Rs.62.50 Crores released in the G.O. 8<sup>th</sup> read above towards 2<sup>nd</sup> quarter of BE 2011-12 under Plan Scheme, i.e., total RS.1228.55 crores incurred so far.

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2. The Managing Director, Hyderabad Metro Water Supply and Sewerage Board, Hyderabad, in the references 4<sup>th</sup> & 6<sup>th</sup> read above has reported that, in order to arrange necessary funds flow for time bound completion of the ongoing project, the proposal for sanction of HUDCO loan has been placed before 21<sup>st</sup> Meeting of Board of Directors of HMWSSB held on 26.08.2011. The Board has resolved to refer the matter to a Committee of Secretaries of Government of Andhra Pradesh from Finance, MA&UD, I & CAD Departments and Managing Director, Hyderabad Metro Water Supply and Sewerage Board, Hyderabad to examine the matter. Accordingly, as per the recommendations of Committees of Secretaries, the proposal has been submitted to the Government in the reference 7<sup>th</sup> read above by the Managing Director, Hyderabad Metro Water Supply and Sewerage Board, Hyderabad. In the reference 5<sup>th</sup> read above the HUDCO have communicated their sanction of term loan of Rs.1000 Crores for the MAKHSS i.e. Godavari Drinking Water Supply Scheme Phase-I, subject to certain terms and conditions governing the loan and approval of the Board on mortgaging the assets to HUDCO and the pre-disbursal condition No.4, 5, 6, 8, 9, 10 of HUDCO sanction letter. Accordingly, in the reference 7<sup>th</sup> read above the Managing Director, Hyderabad Metro Water Supply and Sewerage Board, Hyderabad has requested the Government for necessary orders in the matter.

3. Government after careful examination of the entire matter, hereby issue the following orders:

- (i) Permission is hereby accorded to raise non-recourse Loan of Rs.1000 Crores from HUDCO without Government guarantee for the MAKHSS i.e., Godavari Drinking Water Supply Project Phase-I.
- (ii) For repayment of HUDCO term loan of Rs.1000 Crores in the regular budget years, the line item in the Present Budget i.e., "Loan to Hyderabad Metropolitan Water Supply & Sewerage Board, Godavari Water Supply" will meet the requirements of HUDCO.
- (iii) Government hereby also agree to provide the required financial support to complete the Project.

4. The Managing Director, Hyderabad Metro Water Supply and Sewerage Board, Hyderabad shall take necessary further action in the matter accordingly.

5. This order issues with the concurrence of Finance Department vide their U.O.No: 6656/ A/356/DCM-II/2011 dated: 13.10.2011.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

B. SAM BOB,  
PRINCIPAL SECRETARY TO GOVERNMENT (UD)

To  
The Managing Director,  
Hyderabad Metro Water Supply and Sewerage Board, Hyderabad.

Copy to :

The Finance (DCM.II) Department,  
The Finance (Exp. M&F) Department.  
The P.s. to Secretary to Chief Minister.  
The P.S. to M (Fin) / The P.S. to M (MA).  
The P.S. to Principal Finance Secretary.  
P.S. to Prl. Secy. to Govt., MA & UD Dept.  
SC/SF.

// FORWARDED :: BY ORDER //

SECTION OFFICER